

Adopted	Rejected
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COMMITTEE REPORT

YES:	10
NO:	0

MR. SPEAKER:

*Your Committee on Local Government, to which was referred Senate Bill 09, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill **be amended** as follows:*

- 1 Page 1, between the enacting clause and line 1, begin a new
- 2 paragraph and insert:
- 3 "SECTION 1. IC 6-1.1-18.5-10.5 IS AMENDED TO READ AS
- 4 FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 10.5. (a) The ad
- 5 valorem property tax levy limits imposed by section 3 of this chapter
- 6 do not apply to ad valorem property taxes imposed by a civil taxing
- 7 unit for fire protection services within a fire protection territory under
- 8 IC 36-8-19, **if the civil taxing unit is a participating unit in a fire**
- 9 **protection territory established before July 1, 2001.**
- 10 ~~(b)~~ For purposes of computing the ad valorem property tax levy
- 11 limits imposed on a civil taxing unit by section 3 of this chapter **on a**
- 12 **civil taxing unit that is a participating unit in a fire protection**
- 13 **territory established before July 1, 2001**, the civil taxing unit's ad
- 14 valorem property tax levy for a particular calendar year does not
- 15 include that part of the levy imposed under IC 36-8-19.
- 16 **(b) This subsection applies to a participating unit in a fire**

1 **protection territory established under IC 36-8-19 after June 30,**
 2 **2001. The ad valorem property tax levy limits imposed by section**
 3 **3 of this chapter do not apply to ad valorem property taxes**
 4 **imposed by a civil taxing unit for fire protection services within a**
 5 **fire protection territory under IC 36-8-19 for the first calendar**
 6 **year in which the participating unit levies a tax to support the**
 7 **territory. For purposes of computing the ad valorem property tax**
 8 **levy limits imposed on a civil taxing unit by section 3 of this**
 9 **chapter, for the first calendar year in which the participating unit**
 10 **levies a tax to support the territory, the civil taxing unit's ad**
 11 **valorem property tax levy for a particular calendar year does not**
 12 **include that part of the levy imposed under IC 36-8-19.**

13 SECTION 2. IC 36-8-12-16, AS AMENDED BY P.L.1-1999,
 14 SECTION 100, IS AMENDED TO READ AS FOLLOWS
 15 [EFFECTIVE JULY 1, 2001]: Sec. 16. (a) A volunteer fire department
 16 that provides service within a jurisdiction served by the department
 17 may establish a schedule of charges for the services that the department
 18 provides not to exceed the state fire marshal's recommended schedule
 19 for services. The volunteer fire department **or its agent** may collect a
 20 service charge according to this schedule from the owner of property
 21 that receives service if the following conditions are met:

22 (1) At the following times, the department gives notice under
 23 IC 5-3-1-4(d) in each political subdivision served by the
 24 department of the amount of the service charge for each service
 25 that the department provides:

26 (A) Before the schedule of service charges is initiated.

27 (B) When there is a change in the amount of a service charge.

28 (2) The property owner has not sent written notice to the
 29 department to refuse service by the department to the owner's
 30 property.

31 (3) The department's bill for payment of the service charge:

32 (A) is submitted to the property owner in writing within thirty

33 (30) days after the services are provided; and

34 (B) includes a copy of a fire incident report in the form
 35 prescribed by the state fire marshal, if the service was
 36 provided for an event that requires a fire incident report.

37 (b) A volunteer fire department shall use the revenue ~~the department~~
 38 **collects collected** from the fire service charges under this section for:

(1) the purchase of equipment, buildings, and property for firefighting, fire protection, or other emergency services;

(2) deposit in the township firefighting fund established under IC 36-8-13-4; or

(3) to pay principal and interest on a loan under IC 22-14-5.

(c) If at least twenty-five percent (25%) of the money received by a volunteer fire department for providing fire protection or emergency services is received under one (1) or more contracts with one (1) or more political subdivisions (as defined in IC 34-6-2-110), the legislative body of a contracting political subdivision must approve the schedule of service charges established under subsection (a) before the schedule of service charges is initiated in that political subdivision.

(d) A volunteer fire department that:

(1) has contracted with a political subdivision to provide fire protection or emergency services; and

(2) charges for services under this section;

must submit a report to the legislative body of the political subdivision before April 1 of each year indicating the amount of service charges collected during the previous calendar year and how those funds have been expended.

(e) The state fire marshal shall annually prepare and publish a recommended schedule of service charges for fire protection services.

(f) The volunteer fire department **or its agent** may maintain a civil action to recover an unpaid service charge under this section."

Page 2, between lines 28 and 29, begin a new paragraph and insert:

"SECTION 2. IC 36-8-19-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 8. (a) Upon the adoption of identical ordinances under section 6 of this chapter, the designated provider unit must establish a fire protection territory fund from which all expenses of operating and maintaining the fire protection services within the territory, including repairs, fees, salaries, depreciation on all depreciable assets, rents, supplies, contingencies, and all other expenses lawfully incurred within the territory shall be paid. The purposes described in this subsection are the sole purposes of the fund and money in the fund may not be used for any other expenses. Except as allowed in subsections (d) and (e) and section 8.5 of this chapter, the provider unit is not authorized to transfer money out of the fund at any time.

1 (b) The fund consists of the following:

2 (1) All receipts from the tax imposed under this section.

3 (2) Any money transferred to the fund by the provider unit as
4 authorized under subsection (d).

5 (c) The provider unit, with the assistance of each of the other
6 participating units, shall annually budget the necessary money to meet
7 the expenses of operation and maintenance of the fire protection
8 services within the territory, plus a reasonable operating balance, not
9 to exceed twenty percent (20%) of the budgeted expenses. After
10 estimating expenses and receipts of money, the provider unit shall
11 establish the tax levy required to fund the estimated budget. ~~The tax~~
12 ~~under this section is not subject to the tax levy limitations imposed on~~
13 ~~civil taxing units under IC 6-1.1-18.5.~~ The amount budgeted under this
14 subsection shall be considered a part of each of the participating unit's
15 budget.

16 (d) If the amount levied in a particular year is insufficient to cover
17 the costs incurred in providing fire protection services within the
18 territory, the provider unit may transfer from available sources to the
19 fire protection territory fund the money needed to cover those costs. In
20 this case:

21 (1) the levy in the following year shall be increased by the amount
22 required to be transferred; and

23 (2) the provider unit is entitled to transfer the amount described
24 in subdivision (1) from the fund as reimbursement to the provider
25 unit.

26 (e) If the amount levied in a particular year exceeds the amount
27 necessary to cover the costs incurred in providing fire protection
28 services within the territory, the levy in the following year shall be
29 reduced by the amount of surplus money that is not transferred to the
30 equipment replacement fund established under section 8.5 of this
31 chapter. The amount that may be transferred to the equipment
32 replacement fund may not exceed five percent (5%) of the levy for that
33 fund for that year. All participating units must agree to the amount to
34 be transferred by adoption of identical ordinances specifying the
35 amount.

36 **(f) The tax under this section is not subject to the tax levy**
37 **limitations imposed on civil taxing units under IC 6-1.1-18.5 for**
38 **any unit that is a participating unit in a fire protection territory**

1 that was established before July 1, 2001.

2 (g) This subsection applies to a participating unit in a fire
3 protection territory established under IC 36-8-19 after June 30,
4 2001. For purposes of calculating a participating unit's maximum
5 permissible ad valorem property tax levy for the first calendar
6 year in which the participating unit levies a tax to support the
7 territory, the unit's maximum permissible ad valorem property tax
8 levy for the preceding calendar year under IC 6-1.1-18.5-3(a) STEP
9 ONE or IC 6-1.1-18.5-3(b) STEP ONE is increased by an amount
10 equal to the difference between the:

11 (1) amount the unit will have to levy in order to fund the
12 unit's share of the fire protection territory budget for the
13 operating costs as provided in the ordinance making the unit
14 a participating unit in the fire protection territory; and
15 (2) unit's levy for fire protection services for the calendar year
16 that immediately precedes the first calendar year in which the
17 participating unit levies a tax to support the territory.".

18 Renumber all SECTIONS consecutively.

 (Reference is to SB 9 as reprinted March 6, 2001.)

and when so amended that said bill do pass.

Representative Stevenson